STATE OF NEW YORK
OFFICE OF THE MEDICAID INSPECTOR GENERAL
800 North Pearl Street
Albany, New York 12204

ANDREW M. CUOMO
GOVERNOR

JAMES C. COX
MEDICAID INSPECTOR GENERAL

February 11, 2014

[redacted]

Niagara Falls Memorial Medical Center
621 Tenth Street
Niagara Falls, NY 14302

RE: Final Audit Report
Audit #: 12-5367
Provider #: [redacted]

Dear [redacted]

This letter constitutes the Office of the Medicaid Inspector General's (OMIG) Final Audit Report of Niagara Falls Memorial Medical Center (Facility) Claims for Newborn Birth Services, covering service dates included in the period beginning January 1, 2008 and ending December 31, 2010.

The New York State Department of Health (DOH) is the state agency responsible for the administration of the Medicaid program. As part of its responsibility as an entity within DOH, OMIG conducts audits and reviews of various providers of Medicaid reimbursable services, equipment and supplies. These audits and reviews are directed at assessing provider compliance with applicable laws, regulations, rules and policies of the Medicaid program as set forth in New York Public Health Law, New York Social Services Law, the regulations of the Department of Health (Titles 10, 14 and 18 of the New York Codes Rules and Regulations), the Department of Health's Medicaid Provider Manuals and *Medicaid Update* publications.

The objective of our audit was to assess the Facility's adherence to applicable laws, regulations, rules and policies governing the New York State Medicaid program and to verify that:

- the Facility sought reimbursement from liable third parties;
- claims for payment were submitted in accordance with applicable rules and requirements.

The audit identified instances where both, the Facility received a fee-for-service Medicaid payment while the newborn was enrolled in managed care and the Plan received a supplemental newborn capitation payment; indicating the hospital was either eligible for or did receive a payment from the Plan related to the newborn's birth.

After reviewing the Facility's March 11, 2013 response to OMIG's December 13, 2012 Draft Audit Report, OMIG has determined that for the period and scope reviewed, the Facility generally adhered to applicable Medicaid billing rules and regulations. OMIG has concluded that no further action is required pertaining to this audit.

The Facility has the right to challenge this action and determination by requesting an administrative hearing within sixty (60) days of the date of this notice. In accordance with 18 NYCRR 519.18(a), "The issues and documentation considered at the hearing are limited to issues directly relating to the final determination. An appellant may not raise issues regarding the methodology used to determine any rate of payment or fee, nor raise any new matter not considered by the department upon submission of objections to a draft audit or notice of proposed agency action."

If the Facility wishes to request a hearing, the request must be submitted in writing within sixty (60) days of the date of this notice to:

General Counsel
Office of Counsel
New York State Office of the Medicaid Inspector General
800 North Pearl Street
Albany, New York 12204

Questions regarding the request for a hearing should be directed to Office of Counsel, at [redacted]

At the hearing you have the right to:

a) Be represented by an attorney or other representative, or to represent yourself;
b) Present witnesses and written and/or oral evidence to explain why the action taken is wrong;
c) Cross examine witnesses of the DOH and/or OMIG; and
d) Have an interpreter if you do not speak English or are deaf.

OMIG reserves the right to conduct further reviews of your participation in the Medicaid program, take action where appropriate, and recover any associated overpayments. If you have any questions regarding the above, please contact [redacted] or email at [redacted] Thank you for your cooperation.

Sincerely,

[redacted]

Bureau of Managed Care Audit & Provider Review
Division of Medicaid Audit
Office of the Medicaid Inspector General

Certified Mail Number [redacted]
Return Receipt Requested